



PSC NEWS

Missouri Public Service Commission

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FOR IMMEDIATE RELEASE

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NATURAL GAS RATES TO CHANGE FOR EMPIRE DISTRICT GAS COMPANY---SOUTHERN SYSTEM CUSTOMERS

JEFFERSON CITY—To primarily reflect estimated changes in the wholesale cost of natural gas for the winter heating season (November through March), Southern System customers of The Empire District Gas Company will see natural gas rates increase under a filing which will take effect on November 20, 2006.

A residential customer currently pays approximately \$0.79 per Ccf (per 100 cubic feet of gas). Under this filing, the rate will increase to approximately \$0.99 per Ccf, an increase of approximately \$0.20 per Ccf.

Approximately 65% to 75% of a customer's natural gas bill reflects the cost of natural gas from wholesale suppliers. The wholesale cost of natural gas (the cost your local natural gas company must pay to its suppliers for natural gas) is not regulated by the Missouri Public Service Commission. The wellhead cost of natural gas is unregulated and is primarily driven by supply, demand and the weather. The Missouri Public Service Commission does conduct an annual regulatory review to ensure that regulated natural gas companies make prudent decisions in securing natural gas supplies for their customers.

The Empire District Gas Company serves approximately 32,000 natural gas customers in its Southern System which includes the Missouri counties of Pettis, Platte, Cooper, Ray, Henry, Saline, Johnson, Vernon and Lafayette.